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Iran: The company Goldmine International; treatment of people affiliated with the company by Iranian authorities
Research Directorate, Immigration and Refugee Board of Canada, Ottawa

According to their website, Goldmine International (GMI) is an "E-commerce network marketing" company that started in Norway (GMI n.d.a). Products for sale on their website include gold coins, jewellery, and watches (GMI n.d.b; *ibid.* n.d.c; *ibid.* n.d.d). For example, a 20 gram gold coin sells for \$710 United States (US) dollars (GMI n.d.b). Their website purports that customers can make a lot of money by introducing new customers to GMI (GMI n.d.e). The website states that for each new customer introduced to GMI, the person who refers the customer will be paid a "handsome" commission (*ibid.*). It also states that as the new customers introduce their friends and relatives to GMI, the person who initially referred the new customers gets paid a commission (*ibid.*).

The website also suggests that people can grow their own businesses with GMI anywhere in the world provided that "Networking is not illegal by law" (*ibid.*). According to the website, a person can set up a "Gold Account" with GMI by paying between \$30 US dollars and \$220 US dollars, depending on the plan (*ibid.*). New customers are introduced by people who already hold a "Gold Account" with GMI (*ibid.*). Goldmine International's website posts charts of potential income based on each person introducing two new people to the company within a month, whereby in nine months time the "accumulative step income" ranges from \$2,565 US dollars to \$102,200 US dollars (GMI n.d.f). GMI's terms and conditions state, "Your participation in the Gold Reward program is solely to get a GMI product in addition to receive a commission on products purchased by your referral individuals joining under you in your Gold Tree" (*ibid.* n.d.g).

Goldmine International Scam, a blog posted on the Internet, accuses Goldmine International of fraud and of having a pyramid scheme business structure (GMI Scam 6 Mar. 2009). According to this website, GMI is active in Pakistan and other unnamed Asian countries (*ibid.*). This information could not be corroborated among the sources consulted by the Research Directorate within the time constraints of this Response.

Information on the number of GMI employees, GMI's activities in Iran, and the treatment of people affiliated with the company by Iranian authorities could not be found among the sources consulted by the Research Directorate. However, the following information regarding the treatment of people affiliated with Goldquest, a company with similar products and structure to Goldmine, and

Iranian laws regarding pyramid schemes may be of interest.

Media sources report that Goldquest and "similar companies" are banned in Iran (*Nasl-e Farda* 20 Apr. 2006; AFP 2 Nov. 2005). According to Agence France-Presse (AFP), Goldquest International is a Hong Kong-based e-commerce operation which sells collectible coins and jewellery, such as 7 gram "limited edition" gold coins for \$650 US dollars, even though they are worth approximately \$118 US dollars on the open market (ibid.). AFP reports that Goldquest offers commissions to "referrers" who recruit family and friends to buy their products (ibid.). An Iranian case prosecutor reportedly stated that there were 3,600 complaints filed from Tehran against the company (ibid.). AFP reports that in 2005, 28 people were arrested in Tehran and faced punishments ranging from fines of double their commission to three years in prison (ibid.). Similarly, *Nasl-e Farda*, an Iranian publication, reports that in 2006, people working for Goldquest and similar companies were sentenced to three months to three years in prison and fined for twice the amount that they collected in commissions (20 Apr. 2006). According to the prosecutor in Esfahan Province, the incomes from Goldquest and other pyramid companies are "illegitimate" and their coins can be confiscated by the government (*Nasl-e Farda* 20 Apr. 2006). The prosecutor also stated that the leaders of pyramid companies are treated as *mufsed fel arz* (a person who spreads corruption on the earth) which carries a sentence of death or a minimum of five to twenty years imprisonment (ibid.).

The Iranian newspaper *Tehran Times* reports that 15 companies involved in pyramid schemes were identified and banned in Iran between October 2009 and January 2010 (*Tehran Times* 12 Jan. 2010). The source did not cite the names of all of the companies which were banned (ibid.). According to an economic expert at the Intelligence Ministry, as quoted in the article, "everyone who is involved in this kind of business, with the intention of damaging the interests of the establishment, will face the charge of 'corrupt person on the earth'" (ibid.). *Tehran Times* notes that a charge of "corrupt person on the earth" can carry the death penalty (ibid.). According to two regional media sources, 30 key leaders of Goldquest were arrested in Iran in March 2010 (Voice of the Islamic Republic of Iran 8 Mar. 2010; Day.Az 9 Mar. 2010).

This Response was prepared after researching publicly accessible information currently available to the Research Directorate within time constraints. This Response is not, and does not purport to be, conclusive as to the merit of any particular claim for refugee protection. Please find below the list of sources consulted in researching this Information Request.

References

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Tehran Times. 12 January 2010. "Iran Busts 15 Pyramid Scheme Firms." <<http://www.tehrantimes.com/PDF/10783/10783-1.pdf>> [Accessed 19 Mar. 2010]

Voice of the Islamic Republic of Iran [in Persian]. 8 March 2010. "Iran Intelligence Ministry Arrests 30 Fraudsters." (BBC Monitoring Middle East/Factiva)

Additional Sources Consulted

Oral sources: Attempts to reach representatives of Goldmine International were unsuccessful within the time constraints of this Response.

Internet sites, including: Amnesty International (AI), European Country of Origin Information Network (ecoi.net), Foundations for Democracy in Iran (FDI), Human Rights Watch, Institute for War and Peace Reporting (IWPR), International Campaign for Human Rights in Iran, International Crisis Group, Iran Human Rights Documentation Center, Office of the United Nations (UN) High Commissioner for Refugees (UNHCR) Refworld, Radio Free Europe/Radio Liberty (RFE/RL), United States (US) Department of State.

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